

“tion not to permit you to occupy the various islands of the Pacific which lie in your vicinity, but
 “to allow foreign Powers to do so, and thus enable them, if they think proper, to shut you out
 “from a commerce upon which your future prosperity must greatly depend. We also shall thus
 “allow them an opportunity of forming, close to you, arsenals from which, at the very moment
 “a war breaks out, expeditions can issue to interrupt your commerce and to assail your coasts.
 “It will therefore be necessary for you at all times to maintain a considerable standing military
 “force and some naval force, and to incur a great and continued cost in so doing, in order to
 “protect yourselves from any sudden dangers that may arise from these causes; for, as we con-
 “duct negotiations without consulting you, and determine whether a war shall or shall not take
 “place without your having any voice in the matter, or being certain of having time afforded you
 “to make preparations to meet the exigencies that may arise from such a war, it will be necessary
 “for you to be prepared at any moment to meet a contingency which you can neither delay nor
 “control in any manner whatever. You must also remember that our policy relating to our
 “dependencies is a variable policy. At one time, a Government is in power which is determined
 “to hold the Empire together. After a short interval another Government may come into power
 “which may consider it wise to rid itself of all dependencies, as valueless and embarrassing to the
 “mother-country. Thus at any time your connection with us may suddenly cease. You should,
 “therefore, be prepared to meet this event, and to be in such a position as to be able to defend
 “yourselves, if necessary, against the foreign Powers we have assisted, by our policy, to occupy
 “islands in your immediate vicinity and to establish arsenals there.”

17. It should also be remembered that the products of the Pacific Islands are amongst the most valued necessities of life to the inhabitants of New Zealand; whilst, on the other hand, their products are articles most highly prized by the islanders. To incur any risk of closing a commerce so beneficial and lucrative to the two races would therefore appear to be unwise—nay, almost disastrous.

18. I think that a calm review should be taken of all these circumstances. A consideration of the misery and great expenditure which may be brought upon the British colonies in this part of the world by following one line of policy, whilst a vast commerce, wealth, and enterprise will be gradually called into existence by pursuing another course, must, I believe, afford convincing reasons in favour of the wisdom and justice of allowing the colonies either to annex to any colony by agreement, or to occupy, with the consent of the inhabitants, islands in the Pacific Ocean the cost of governing and maintaining which it may be willing to undertake.

19. I confidently think that a generous policy of this nature will raise feelings of gratitude in the minds of the colonists to the mother-country, and will bind the Empire in stronger bonds of union, producing results equally advantageous to the trade and commerce of the colonies and of the mother-country; and that to follow the opposite course of refusing to allow the colonies to assume the government of the Pacific Islands, and yet to permit foreign nations to do so, will ultimately result in unpleasant feelings towards Great Britain, and in a series of disasters, as years roll by, which can now be easily provided against. Surely, it is better for Great Britain to allow great, wealthy, and prosperous communities to develop themselves in this portion of the world, spreading the Christian faith, British laws, the English language and literature, this series of events proceeding quietly and regularly in a natural order, than to stint and impoverish communities capable of such a beneficial extension, thereby creating discontent in the minds of a people who, from sympathy and natural feeling, now cling so closely to the mother-country, and readily undergo many inconveniences and incur much expenditure to promote and sustain the greatness of the nation from which they have sprung, and in the might and beneficence of which they feel the greatest pride.

G. GREY.

6th March, 1879.

By Authority: GEORGE DIDSBUXY, Government Printer, Wellington.—1879.

Price 3d.]